Department of Health and Human Services

OFFICE OF
INSPECTOR GENERAL

THE PROGRAM SUPPORT CENTER'S
PERSONNEL SERVICE:
CUSTOMER SERVICE EVALUATION

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Inspector General

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OEI's San Francisco office prepared this report under the direction of Kaye D. Kidwell, Regional Inspector General, and Paul A. Gottlober, Deputy Regional Inspector General. Principal OEI staff included:

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E X E C U T I V E   S U M M A R Y

PURPOSE

To (1) assess customer satisfaction with the Program Support Center's (PSC) payroll service and (2) evaluate the efficiency and accuracy of the PSC's processing of personnel actions that affect payroll.

BACKGROUND

The PSC was formed in 1995 by combining the administrative functions formerly located in the Office of the Secretary, the Office of the Assistant Secretary for Health, the Health Resources and Services Administration, the Indian Health Service, and the Food and Drug Administration. The PSC provides services in three broad business areas: human resources, financial management, and administrative operations. Payroll and personnel services are included in the Human Resources Service Branch.

The PSC operates an automated payroll service for all of the Department's 60,000 employees in 13 agencies. Payroll services include, but are not limited to, electronically processing all personnel-related actions for each employee, paying each employee correctly biweekly or monthly and timely with other pay-related functions, and managing current and historical personnel and payroll data on all employees.

The PSC provides personnel services for the Administration on Aging, the Office of the Secretary, and the PSC itself. Personnel services that affect payroll include, but are not limited to, recruitment and employment relations, classification and compensation, human resources, information systems, and payroll servicing.

To evaluate customer satisfaction, we conducted three surveys of 448 respondents by telephone or in-person, using standardized survey instruments. We compared PSC personnel customers to non-PSC customers and reviewed the Official Personnel Files and transaction processes for a select group of respondents.

> We conducted this inspection over a 1-year period. During that time, we kept PSC informed of our progress and findings.   As we conducted the inspection, PSC advised us of changes it was making and intended to make to be more responsive to its clients.

FINDINGS

Personnel transaction error rates reported by PSC and Non-PSC customers were significant but not statistically different

Employees in both of our sample populations, new employees and employees who submitted personnel transactions that affect payroll, reported errors in their personnel transactions. While PSC customers reported errors in 13 percent of their transactions, non-PSC customers reported errors in 9 percent of all personnel transactions. The 4 percent difference between the two groups was not statistically significant. However, we found statistically significant differences between the two groups in other indicators of customer satisfaction, such as the accuracy of earnings and leave statements. In addition, we found that new employees experienced more payroll problems than existing employees who submitted an individual personnel transaction that affected payroll.

PSC customers were less satisfied than non-PSC customers

PSC customers, both new employees and employees who submitted personnel transactions that affected payroll, were less satisfied with personnel services than non-PSC customers. Administrative officers who are PSC customers ranked personnel services lower in terms of overall quality and timeliness than non-PSC customers.

Processing delays accounted for the most customer dissatisfaction

Almost one-half of the problems that employees reported were attributed to slow processing. New employees often reported delays and problems with their first paycheck and earnings-and-leave statements. Both administrative officers and new employees complained that corrections of payroll inaccuracies were especially slow.

To improve customer satisfaction, PSC revised its personnel staffing and organization

The PSC's personnel service has improved in recent months. Administrative officers reported improved satisfaction due to the reorganization of PSC's personnel division, including the relocation of staff to downtown Washington, D.C. New employee satisfaction also has improved.

Vulnerabilities persist in some key processes

The PSC does not date stamp and log incoming employee requests. The Official Personnel Files (OPFs) maintained by PSC are sometimes incomplete or contain inappropriate information. IMPACT, PSC's automated personnel and payroll system, is outdated and does not retain data on the identity of operators who change addresses and social security numbers on savings bonds issued from employee salary allotments.

RECOMMENDATIONS

While PSC's personnel service customer satisfaction lagged behind that of other HHS personnel units, we believe PSC has taken some steps to improve its service. We recommend that PSC continue to improve the customer-service focus of its personnel service. In addition, we recommend that PSC take the following specific actions:

1. establish timeliness standards for processing payroll-related personnel actions,
2. expand its "help desk" model of customer assistance,
3. begin to date stamp and log employee requests,
4. maintain more complete and accurate OPFs,
5. continue plans to replace the outdated IMPACT system, and
6. assure that the software that replaces IMPACT identifies staff who make changes to the system's data.

AGENCY RESPONSE

In response to the recommendations in our draft report, PSC reports that it has "put systems in place to insure quality personnel service." The PSC reports having implemented service standards including timeliness standards to improve personnel transaction processing times. According to PSC, HHS employee requests are now being logged and date stamped, and in most cases requests are entered into the payroll system as soon as they are received from customers. Additionally, PSC reports that in calendar year 2000 it will audit its personnel customers' OPFs and begin to implement a new software system for personnel transaction processing .

> This inspection was conducted in accordance with the *Quality Standards for Inspections* issued by the President's Council on Integrity and Efficiency. During the course of this inspection, we collected and analyzed personal and confidential information concerning Department employees. We took all reasonable precautions to prevent the misuse of this personal data. Some of the personal data we collected may be covered by the Privacy Act (P.L. 95-579). The Privacy Act provides criminal penalties for any Federal employee

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I N T R O D U C T I O N

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BACKGROUND

The PSC was formed in 1995 by combining the administrative functions formerly located in the Office of the Secretary, the Office of the Assistant Secretary for Health, the Health Resources and Services Administration, the Indian Health Service, and the Food and Drug Administration of the Department of Health and Human Services (HHS). The PSC provides services in three broad business areas: human resources, financial management, and administrative operations. Personnel and payroll services are included in the Human Resources Service Branch.

Envisioned as a "business enterprise," the PSC's mission is to provide the Department and other Federal agencies with administrative support services on a "cost-effective, competitive, fee-for-service basis."[1] Using fee schedules, the PSC contracts with "customer agencies" (i.e., Department components) to provide various administrative services. The PSC[2] received approximately $31.6 million for personnel and payroll services for fiscal year 1998, and it projects payments of approximately $19.5 million for fiscal year 1999.[3] The decrease in payments is the result primarily of the Social Security Administration's move to another servicing agency[4] plus the completion of a computer modernization project.

Payroll services include, but are not limited to:

- electronically processing all personnel-related actions for each employee,
- paying each employee correctly biweekly or monthly and timely with other pay-related functions, and
- managing current and historical personnel and payroll data on all employees.[5]

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[1]Program Support Center, *Fiscal Year 1998 Business Plan*.

[2]We refer to the Human Resources Service as the PSC throughout this report.

[3]PSC website (http://www.psc.gov)

[4]The PSC also processed payroll for all Social Security Administration employees until April 1998.

[5]Program Support Center, *1999 Justification of Estimates for Appropriations Committees*.

The PSC operates an automated payroll service for all of the Department's 60,000 employees in 13 agencies:

- Office of the Secretary (composed of 10 sub-offices),
- Administration for Children and Families,
- Administration on Aging,
- Agency for Health Care Policy and Research,
- Agency for Toxic Substances and Disease Registry,
- Centers for Disease Control and Prevention,
- Food and Drug Administration,
- Health Care Financing Administration,
- Health Resources and Services Administration,
- Indian Health Service,
- National Institutes of Health,
- Program Support Center, and
- Substance Abuse and Mental Health Services Administration.[6]

The PSC also provides personnel services for the Office of the Secretary, the Administration on Aging, and the PSC itself. Personnel services that affect payroll include, but are not limited to:

- entry on duty processing,
- classification and compensation,
- human resource information systems, and
- payroll servicing.

Other Reviews

The Office of Inspector General (OIG) completed an audit report in July 1997 of the PSC's automated payroll system. The audit included an inventory of payroll transactions and a sample of payroll files to test the automated system controls. The OIG concluded "that no computational errors were in the sample population of payroll payments made to HHS employees in fiscal year 1996."[7]

In April 1999, the OIG issued an inspection report titled, "Personnel Service Options: Exploring the Possibilities" (OEI-09-98-00141). The OIG found that PSC's charges to the Office of Secretary of DHHS for personnel and payroll service were reasonable compared to what other DHHS agencies spent on internal personnel operations.

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[6]The PSC also processed payroll for all Social Security Administration employees until April 1998.

[7]Office of Inspector General, *Agreed-Upon Procedures Report on the Department of Health and Human Services Payroll System*, Summary Memorandum, A-17-96-00010, July 1997.

The Office of Merit Systems Oversight and Effectiveness within the U.S. Office of Personnel Management (OPM) evaluated the Department's human resource management program in fiscal year 1999. This evaluation is part of a government-wide effort to identify (1) compliance issues, (2) common findings, and (3) best practices among operating divisions. The OPM is conducting agency-focused reviews to "help meet mission goals through more effective recruitment, development, and use of employees" and to "gather information to improve Federal human resource systems and programs."[8]

METHODOLOGY

The scope of this inspection was limited to the experiences and satisfaction of customers (i.e., Department employees and agencies) that use PSC's Human Resource Service. We compared the experience and satisfaction of PSC's personnel customers with the experience and satisfaction of customers serviced by other HHS personnel units. Throughout this report, we refer to the former as PSC customers and the latter as non-PSC customers. At the time of our inspection, PSC customers accounted for approximately 7 percent of all HHS employees.

Customer experience and satisfaction

We conducted four customer satisfaction surveys via telephone or in-person using standardized survey instruments. In total, we interviewed 488 respondents.

Survey #1: **HHS Employees — Interviews were conducted February through April 1999.** We selected a random sample of employees who initiated personnel transactions that affect payroll. We stratified the sample into two groups: PSC customers and non-PSC customers. We asked all respondents to report their experience and satisfaction with a specific transaction that was processed on their behalf from **October 1, 1998 through December 31, 1998**. We also asked them about their their experience and satisfaction with personnel services in general. See appendix A for details on sample sizes and response rates.

Survey #2: **New HHS employees — Interviews were conducted February through April 1999.** We selected a sample of all employees who entered on duty to their current employing agency from **October 1, 1998 through December 31, 1998**. We stratified the sample into two sub-groups: PSC customers and non-PSC customers. We asked all respondents to report their experience and satisfaction with the entry-on-duty process and with personnel services in general. See appendix A for details on sample sizes and response rates.

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[8]Office of Personnel Management, Office of Merit Systems Oversight and Effectiveness Briefing Charts.

Survey #3: **New OIG employees — Interviews were conducted in May 1999.**
In addition to the new HHS employees (which included some OIG employees), we interviewed all OIG employees who entered on duty from **March 1, 1999 to May 9, 1999.** We asked all respondents to report their experience and satisfaction with the entry-on-duty process and with personnel services in general up to the date of our interview. See appendix A for details on sample sizes and response rates.

Survey #4: **Administrative Officers — Interviews were conducted May through June 1999.**
We compiled a population of HHS administrative and personnel staff (both headquarters and regional offices) who regularly interact with the PSC for personnel and/or payroll services. We stratified the population into two sub-groups: PSC customers and non-PSC customers. We asked all respondents to report their experience and satisfaction with personnel services up to the date of our interview. See appendix A for details on sample sizes and response rates.

Personnel-case-file review and PSC workflow review

We reviewed the Official Personnel Files (OPFs) and examined the transaction processes for selected respondents from surveys #1 , #2, and #3. We focused on evidence of timeliness and accuracy in their transactions. **The file reviews were conducted in June 1999** and included all documents that were present in the files at that time. In total, we reviewed 53 OPFs.

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FINDINGS

> We conducted this inspection over a 1-year period. During that time, we kept PSC informed of our progress and findings. As we conducted the inspection, PSC advised us of changes it was making and intended to make to be more responsive to its clients.

Personnel transaction error rates reported by PSC and non-PSC customers were significant but not statistically different

Employees in both of our sample populations, new employees and employees who submitted personnel transactions that affect payroll, reported errors in their personnel transactions. While PSC customers reported errors in 13 percent of their transactions, non-PSC customers reported errors in 9 percent of all personnel transactions. The 4 percent difference between the two groups was not statistically significant. However, we found statistically significant differences between the two groups in other indicators of customer satisfaction, such as the accuracy of earnings and leave statements. In addition, we found that new employees experienced more payroll problems than existing employees who submit an individual personnel transaction that affects payroll.

Employees reported low error rates for individual personnel transactions that affect payroll

According to PSC and non-PSC employee customers, 85 percent of all transactions were processed correctly. Of the remainder, slightly more than 10 percent were problematic and 5 percent were not characterized. In our file review of PSC customers who reported a transaction problem, we found that 21 percent of their problems were confirmed as processing errors. The remaining 79 percent either were not supported by existing paperwork or the files were not complete enough to verify or refute the perceived error.
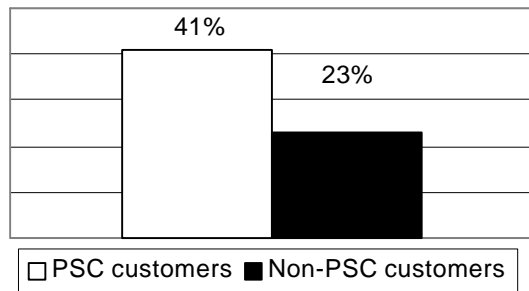
Transaction types: Employee reported errors

Transaction type	Frequency in sample
Start/change health benefits	4
Promotion	3
Termination	3
Start/change/transfer Thrift Savings data	3
Change in savings allotment	3
Change in work hours or duty station	2
Federal tax withholding	1
Stop allotment	1
Start/change bond allotment	1
Conversion to excepted appointment	1
Transfer of leave data	1
Total reported problems	**23**

New employees who are PSC customers reported more payroll problems than non-PSC customers

While fewer than one-quarter of the new employees who are non-PSC customers reported inaccuracies, more than 40 percent who are PSC customers reported inaccurate earnings-and-leave statements within the first 6 to 7 months of employment. (See chart 1.) New employees reported errors in four basic transaction categories (i.e., health benefits, leave, life insurance, and tax-withholding) in addition to several other categories. New employees who are PSC customers experienced more health-benefit and tax-withholding problems than non-PSC customers. However, employees in both groups had difficulty obtaining accurate leave balances. Many of the leave problems were attributed to delays in the transfer of leave data from other Federal agencies.

Chart 1
**All new HHS employees:
Innacurate earnings-and-leave
statements**

41%

23%

□ PSC customers ■ Non-PSC customers

We reviewed the files of more than half of the new employees who are PSC customers who reported a problem. Only 22 percent of their problems could be confirmed as processing errors. The remaining 78 percent of problems either were not supported by existing paperwork or the files were not complete enough to confirm or refute the reported error.

PSC customers were less satisfied than non-PSC customers

Almost one-half of PSC customers who submitted payroll transactions were either somewhat or not at all satisfied with their personnel service. They reported that PSC staff were not responsive to their requests and inquiries. In addition, the dissatisfied employees said that PSC's personnel service was too slow in processing employee requests. However, one dissatisfied employee conceded that PSC is improving, chiefly as a result of personnel staff relocating to offices in downtown Washington, D.C.

In comparison, 17 percent of the HHS employees who are non-PSC customers reported that they were either somewhat or not at all satisfied with their service. See chart 2 for the satisfaction levels of employees who submitted transactions in the fourth quarter of 1998.

Chart 2
All HHS employees: Satisfaction with personnel services

83%

54%

46%

17%

very satisfied or satisfied

somewhat satisfied or not at all satisfied

□ PSC customers ■ Non-PSC customers
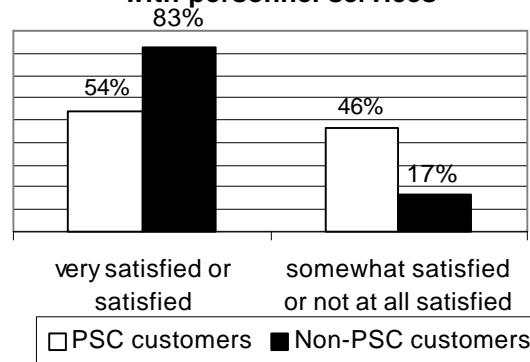
New employees who are PSC customers were less satisfied with personnel services

New employees who are PSC customers were less satisfied and complained more about the entry-on-duty process and other personnel services than non-PSC customers. Their most common complaint was that they were not paid on time. While our review revealed that only 22 percent of the new employees' complaints, including late pay, are attributed to personnel processing errors, new employees generally felt that personnel inefficiencies were at the root of their personnel problems. They also reported that their orientation, including explanations of the forms that they needed to complete, was deficient. Some new

Chart 3
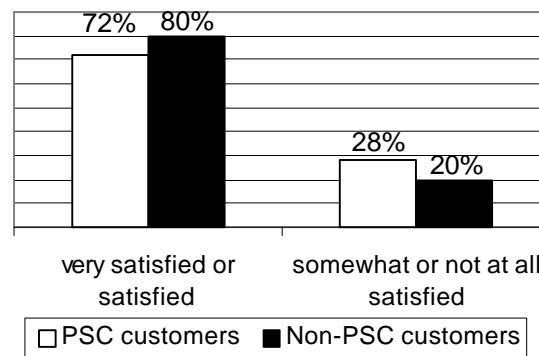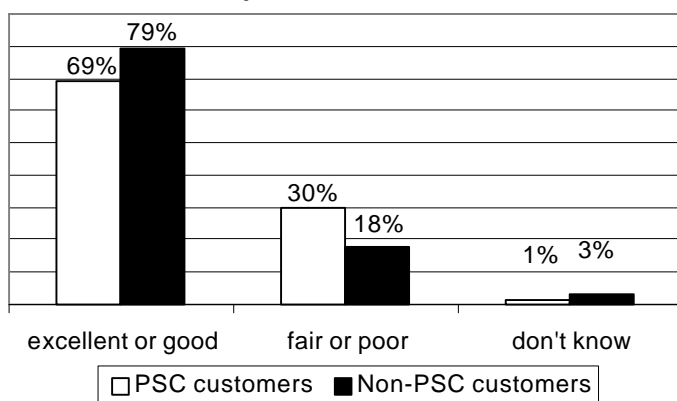**New employee satisfaction with the EOD process**

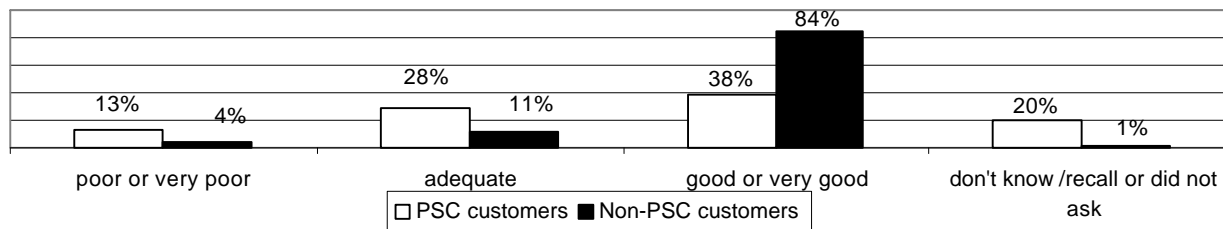employees reported that too much responsibility is

given to their administrative officers during orientation, particularly when they are located in regional or field offices, far removed from the expertise of PSC's personnel staff. One new employee reported that PSC was particularly diligent in the steps leading up to her appointment. After she reported for work, however, her agency forbade her contact with PSC, insisting that she talk to her agency's administrative staff who would contact

Chart 4
New employee ranking of personnel services

PSC personnel on her behalf.

Administrative officers who are PSC customers ranked their personnel service lower non-PSC customers

Fewer than 40 percent of administrative officers who are PSC customers ranked the overall quality of their personnel service as either good or very good compared to 84 percent of non-PSC customers. The PSC customers complained that PSC personnel staff are difficult to reach and that they often lose paperwork that is sent to them. The administrative officers located in regional and field offices complained that reaching PSC staff by phone and e-mail is especially difficult. As a result of the PSC reorganization of 1995, HHS regions lost many of their personnel staff, making it necessary for regional administrative officers to work with headquarters PSC staff. In addition, many administrative officers have assumed the duties for which they once relied on local personnel experts.

Chart 5
All adminstrative officers:
Overall quality of personnel services

	poor or very poor	adequate	good or very good	don't know /recall or did not ask
PSC customers	13%	28%	38%	20%
Non-PSC customers	4%	11%	84%	1%

☐ PSC customers ■ Non-PSC customers

Administrative officers who are PSC customers ranked timeliness much lower than non-PSC customers. Approximately one quarter ranked PSC's timeliness as good or very good, while approximately three quarters of administrative officers who are non-PSC customers ranked their personnel offices good or very good. The PSC customers believed that PSC is understaffed. As a result, personnel and payroll service was slow, particularly for corrections of personnel actions that affect payroll.

Chart 6
All administrative officers:
Timeliness of personnel services

	poor or very poor	adequate	good or very good	don't know/recall
PSC customers	15%	36%	28%	20%
Non-PSC customers	7%	19%	74%	0%

☐ PSC customers ■ Non-PSC customers
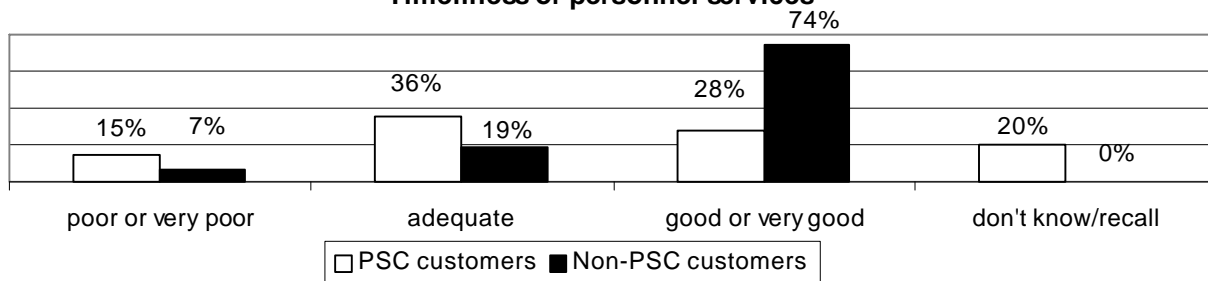
Slightly more than one-third of the administrative officers who are PSC customers were more satisfied with personnel services since the inception of PSC in 1995. Almost half of them were less satisfied. More than two-thirds of the PSC customers were in their current positions prior to 1995 and the creation of PSC. Those who were less satisfied with personnel also ranked communication between the PSC and their employing agency lower than non-PSC customers.

Chart 7
Administrative officers
who are PSC customers:
1999 satisfaction compared to 1995
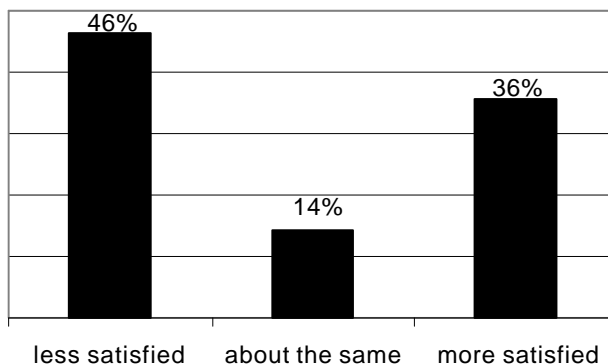
less satisfied	about the same	more satisfied
46%	14%	36%

Processing delays accounted for the most customer dissatisfaction

Almost one-half of the employees who reported problems with transactions attributed their problems to processing delays. In total, 4 percent of the general employee population perceived a transaction problem attributed to a delay in processing. There was no statistically significant difference in the frequency of perceived delays between PSC customers and non-PSC customers.

New employees reported delays and problems with their first pay and earnings-and-leave statements

Approximately 17 percent of all new employees reported delays in receiving their first paycheck. While only 11 percent of the new employees who are non-PSC customers reported pay delays, 21 percent of new employees who are PSC customers reported a delay. We could confirm less than half of the delays reported by PSC customers. More than half of the reports either were not supported by existing paperwork or the files were not complete enough to confirm or refute the perceived error. Of those reports that we confirmed, delays were attributed to: late entry of data to the payroll system, mid-pay period hires resulting in forms being submitted after deadlines, late or incorrect direct deposit forms, and problems related to temporary appointments to the Office of Emergency Services.
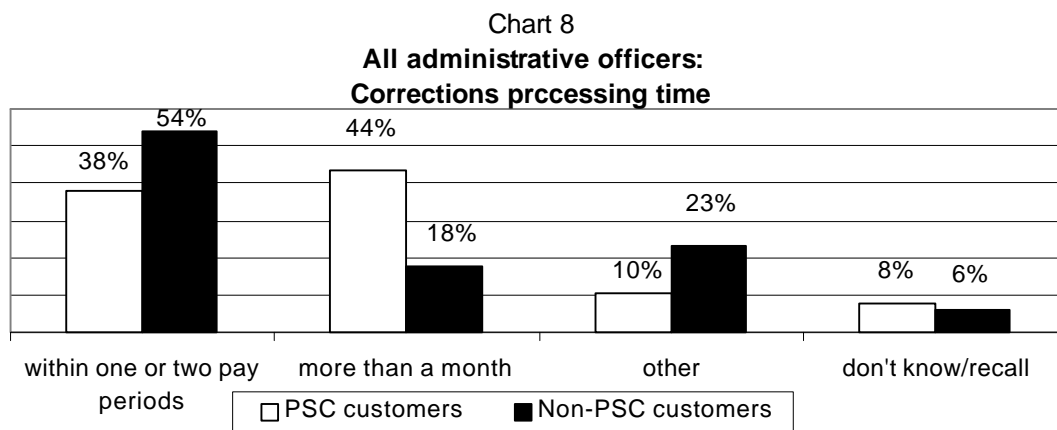
While most new employees received their first paycheck on time, many, especially new employees who had transferred from other Federal agencies, reported other delays. For example, employees who transferred from other Federal agencies often reported that their leave and Thrift Savings balances remained inaccurate for weeks and sometimes months following their appointment. The PSC and other HHS personnel offices rely on the "losing" Federal agency to submit data to them in order to calculate and transfer accurate leave and Thrift Savings account balances. Based on our review of selected files, the PSC made reasonable attempts to acquire the data from other Federal agencies. The other agencies were slow in responding, sometimes taking up to 6 months.

Almost four times as many new employees who are PSC customers reported health benefit problems than non-PSC customers. Most of the problems were late confirmations from various health insurance providers. While health benefit deductions from payroll were timely, employees reported that insurance providers had not received notification of their enrollment and therefore could not provide benefits.

Corrections of payroll inaccuracies were especially slow
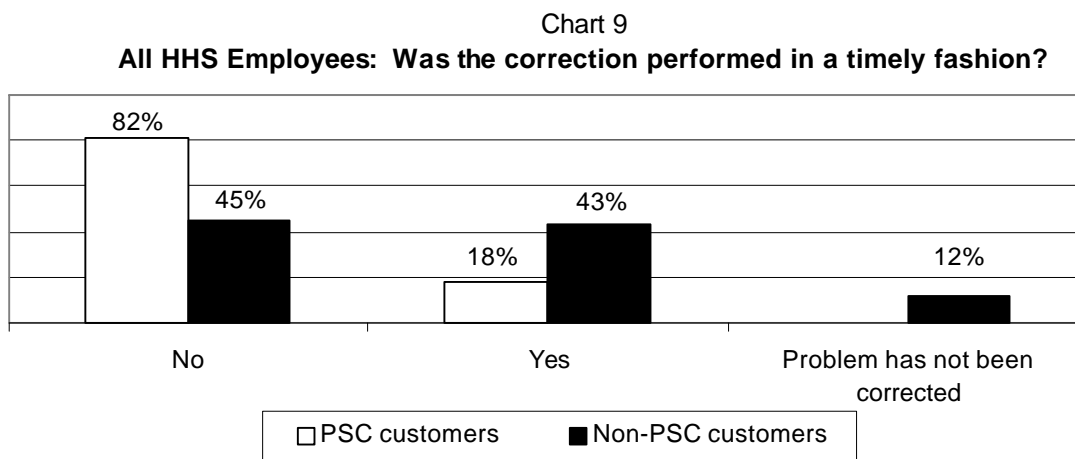
The PSC took longer to process personnel and payroll corrections than non-PSC agencies, according to administrative officers. While a significant proportion of both types of administrative officers reported that it can take more than a month to correct payroll inaccuracies, fewer PSC customers reported that it takes only one or two pay periods to perform corrections.

See chart 8 for details.   The 23 percent of non-PSC administrative officers who responded "other" most often said that payroll corrections performed by PSC, not their personnel unit, took longer.

Chart 8
All administrative officers:
Corrections prccessing time

	within one or two pay periods	more than a month	other	don't know/recall
PSC customers	38%	44%	10%	8%
Non-PSC customers	54%	18%	23%	6%

□ PSC customers   ■ Non-PSC customers

The employees who are PSC customers were more often dissatisfied because of delays in correcting payroll inaccuracies. Almost twice the proportion of PSC customers responded that their correction was not timely than did non-PSC customers. While the corrections performed for PSC customers were rarely performed in a timely fashion, they were all eventually performed. Twelve percent of the employees who are non-PSC customers and who had experienced a

Chart 9
All HHS Employees: Was the correction performed in a timely fashion?

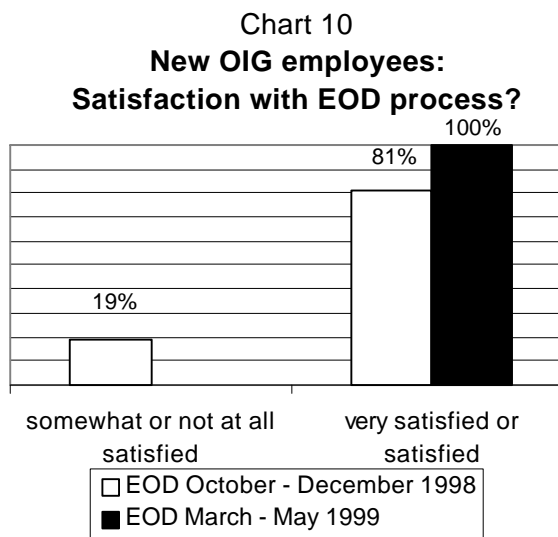|	No	Yes	Problem has not been corrected
PSC customers	82%	18%	
Non-PSC customers	45%	43%	12%

□ PSC customers   ■ Non-PSC customers

problem reported that corrections were yet to take place. See chart 9 for details.

To improve customer satisfaction, PSC revised its personnel staffing and organization

While administrative officers were less satisfied with personnel services since the creation of PSC, several mentioned that the service has improved in recent months. The accessibility of the help desk for payroll-related problems and the relocation of some personnel staff to downtown Washington, D.C. have contributed to improved customer service and staff accessibility.

New employee satisfaction with personnel services has improved. For example, all of the new OIG employees who entered on duty between March and May 1999 reported that they were satisfied with the EOD process. This compares to 81 percent of the OIG new employees who entered on duty in the fourth quarter of 1998. The newest OIG employees were also experiencing fewer delays in pay. Twenty percent of OIG employees from the fourth quarter of 1998 reported a delay in their first pay, compared to 8 percent of the OIG employees who entered on duty from March to May 1999.

Chart 10
New OIG employees:
Satisfaction with EOD process?

somewhat or not at all satisfied: 19%

very satisfied or satisfied: 81%, 100%

☐ EOD October - December 1998
■ EOD March - May 1999

Vulnerabilities persist in some key processes

Despite improved customer satisfaction, personnel and payroll inaccuracies appear to have increased for the newest employees. The new OIG employees are still experiencing problems getting timely confirmation of health benefits from providers. Some new OIG employees received inaccurate salary amounts or inaccurate grade and step specifications on their first earnings-and-leave statements.

We identified several deficiencies in the PSC's internal tracking and accounting process. The PSC staff rarely date stamp the forms they receive from customers, and the systems in place to ensure accurate and timely computer input of customer requests are tenuous at best. For example, we observed new employee entry-on-duty packages being received in PSC's personnel office without being logged in or date stamped. Instead, the packages were immediately placed among stacks of other customer requests, with no apparent system to assess priorities and/or to assure timely processing. In addition, original forms retained by the PSC in OPFs often lack transaction dates of entry and signatures or initials of the PSC staff who processed them, making evaluation of processing times and staff accuracy more difficult if not impossible.

During our review of OPFs for 40 new employees, we frequently found that important forms and other information were missing from the files or, conversely, we often found information that should not be contained in the OPF. One quarter of the files were missing important forms and information. For example, 18 percent of the files were missing position descriptions, and 15 percent were missing the accession paperwork for the employee's current position. On the other hand, 23 percent of the files contained information that did not belong in the file. Examples of the latter include employee evaluations from previous jobs, photocopies of an employee's drivers license and marriage certificate, and the list of the other "best qualified" candidates from which the employee was selected for the position.

The PSC's "IMPACT" automated personnel and payroll system lacks internal controls for the mis-allocation of bond allotments. IMPACT does not retain data on the identity of system operators who change social security numbers and addresses on savings bonds issued from employee salary allotments. Therefore, bond allotments can be changed and issued to addresses and social security numbers other than those indicated by the employee without record of who made the change.

RECOMMENDATIONS

While PSC's personnel service customer satisfaction lagged behind that of other HHS personnel units, we believe PSC has taken some steps to improve its service. We recommend that PSC continue to improve the customer-service focus of its personnel service. In addition, we recommend that PSC take the following specific actions:

1. establish timeliness standards for processing payroll-related personnel actions,
2. expand its "help desk" model of customer assistance,
3. begin to date stamp and log employee requests,
4. maintain more complete and accurate OPFs,
5. continue plans to replace the outdated IMPACT system, and
6. assure that the software that replaces IMPACT identifies staff who make changes to the system's data.

AGENCY RESPONSE

The PSC offered the following comments in response to the recommendations in our draft report:

Since February 14, 1999, PSC has put systems in place to ensure quality personnel service. They have monthly and/or quarterly meetings to address concerns relative to customer satisfaction, delivery of services and quality of products. After customer meetings, team meetings are held to discuss issues raised by the customer, identify corrective steps and develop preventive/improvement procedures. Additionally, they have designed a check list and quality review mechanisms for all incoming personnel requests. . . .

PSC has implemented service standards and deliverables that define service expectations. More specifically, Operations Managers established timeliness standards for receiving personnel actions by Wednesday of the second week of each pay period to be effective the next pay period. The standard for the receipt of payroll documents is that those received by the end of the first week of the pay period will be processed by the end of that pay period.

Dedicated staff is responsible for resolving personnel, payroll and automated systems inquiries and issues. PSC has developed a report monitoring system. The report is generated by the Help Desk employee and submitted to PSC management and to customers. The report provides updates and status to customers and provides PSC management with activity, timeliness and trend assessments. This information is used to better serve customers. Also, they have identified in appropriate correspondences, including the telephone directory, the name and number of the "help desk" contact for specified servicing agencies.

PSC has been dating and logging incoming correspondence which has been generated by its customers' administrative officers and now has started to log in and date stamp all employee requests as well. In most cases, employee requests are put into the system as soon as they are received. Note: There probably were delays associated with employee requests when the servicing personnel office was located in Silver Spring and physically away from its customers.

Samples of OPFs are audited quarterly in order to insure that OPFs remain accurate and complete. A standardized check list is used in auditing and a control log is maintained on OPFs audited. In addition, OPFs are routinely reviewed when actions are taken. Deficiencies, when found, are immediately addressed and the OPFs are corrected. PSC plans to accomplish, within the next calender year 2000, a review of OPFs for OS/AoA/OIG customers.

For the past year, a Department-level Steering Committee for the EHRP (Enterprise Human Resources Payroll System) has examined options for a replacement solution of the current payroll system. This also includes the replacement of the IMPACT system. In August 1999, the Steering Committee selected a solution and implementation of this system will begin in FY 2000.

Sample Sizes and Response Rates

Respondent Group	Survey number (see methodology)	Sampling method	Sample size	Number of responses	Response rate
HHS employees, serviced by PSC personnel, who submitted a personnel action that affected payroll from October 1 to December 31, 1998	1	stratified random sample	125	103	82.4%
HHS employees, serviced by other HHS personnel units, who submitted a personnel action that affected payroll from October 1 to December 31, 1998	1	stratified random sample	125	105	84%
HHS employees, serviced by PSC personnel, who entered on duty from October 1 to December 31, 1998	2	total universe selected	102	88	86.2%
HHS employees, serviced by other HHS personnel units, who entered on duty from October 1 to December 31, 1998	2	random sample	85	66	77.6%
HHS administrative officers serviced by PSC personnel	4	purposeful	42	39	92.8%
HHS administrative officers serviced by other HHS personnel units	4	purposeful	90	74	82.2%
HHS OIG employees who entered on duty from March 1 to May 9, 1999	3	total universe selected	14	13	92.9%
Total			**583**	**488**	**83.7%**

Confidence Intervals for Selected Statistics

Chart	Statistic	Point estimate	95 Percent Confidence Interval
	PSC-processed employees who reported transaction errors	13.2%	7.2% - 19.2%
	HHS agency-processed employees who reported transaction errors	8.9%	3.8% - 13.9%
1	PSC-processed new employees who reported inaccurate earnings and leave statements	41.4%	exact[9]
1	HHS agency-processed new employees who reported inaccurate earnings and leave statements	23.1%	13.1% - 33.1%
2	PSC-processed employees who are somewhat or not at all satisfied with their personnel services	46.4%	36.7% - 56.2%
2	HHS agency-processed employees who are somewhat or not at all satisfied with their personnel services	17.2%	9.0% - 24.5%
3	PSC-processed new employees who are satisfied or very satisfied with the EOD process	72.4%	exact
3	HHS agency-processed new employees who are satisfied or very satisfied with the EOD process	80.3%	72.75% - 87.9%
4	PSC-processed new employees who reported their personnel service is good or very good	69.0%	exact
4	HHS agency-processed employees who reported their personnel service is good or very good	78.5%	68.7% - 88.2%
5	since the administrative officers group was a purposive sample, confidence intervals do not apply		exact
6	since the administrative officers group was a purposive sample, confidence intervals do not apply		exact
7	since the administrative officers group was a purposive sample, confidence intervals do not apply		exact
8	since the administrative officers group was a purposive sample, confidence intervals do not apply		exact
9	PSC-processed employees who reported their correction was not timely	81.5%	58.7% -100.0%
9	HHS agency-processed employees who reported their correction was not timely	45.0%	12.2% - 77.8%
10	OIG new employees who reported they are satisfied or very satisfied with the EOD process	100.0%	exact

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[9] Since the entire population was sampled, a t-test is not necessary.